

# DEPARTMENT OF MENTAL HEALTH

## FINANCIAL SUMMARY

	FY 2001 EXPENDITURE	FY 2002 APPROPRIATION	FY 2003 REQUEST	GOVERNOR RECOMMENDS FY 2003
Office of the Director	\$ 24,998,967	\$ 36,178,321	\$ 28,238,909	\$ 20,239,094
Division of Alcohol and Drug Abuse	64,622,137	71,429,011	109,683,045	72,948,271
Division of Comprehensive Psychiatric Services	286,889,419	320,159,484	353,450,860	246,468,272
Division of Mental Retardation and Developmental Disabilities	250,993,157	270,514,509	310,630,308	250,828,735
<b>DEPARTMENTAL TOTAL</b>	<b>\$ 627,503,680</b>	<b>\$ 698,281,325 *</b>	<b>\$ 802,003,122</b>	<b>\$ 590,484,372</b>
General Revenue Fund	529,475,432	561,040,472	654,302,498	442,243,626
Federal Funds	78,366,142	109,865,253	119,102,003	121,115,146
General Revenue Reimbursements Fund	3,080,918	4,544,329	4,680,659	4,544,329
Compulsive Gamblers Fund	130,088	452,696	478,962	452,696
Health Initiatives Fund	6,132,968	6,849,157	7,034,203	6,299,157
Family Support Loan Program Fund	63,897	291,305	291,305	291,305
Mental Health Earnings Fund	1,679,846	1,872,990	2,438,348	1,872,990
HFT-Health Care Account	0	5,091,900	5,091,900	5,091,900
HFT-Tobacco Prevention Account	0	0	300,000	300,000
Mental Health Institution Gift Trust Fund	8,574,389	8,273,223	8,283,244	8,273,223
<b>Full-time equivalent employees</b>	<b>9,422.01</b>	<b>10,386.04</b>	<b>10,529.02</b>	<b>10,109.82</b>

\* Does not include \$9,551,520 recommended in Fiscal Year 2002 Supplemental Appropriations. See the Supplemental section of the Missouri Budget for details regarding the Department of Mental Health supplemental appropriations.

## POLICY SUMMARY

Governor Holden's Fiscal Year 2003 budget provides \$590.5 million for the Department of Mental Health to support Missourians with mental illness, substance abuse problems, and developmental disabilities. The department has focused its efforts on reducing substance abuse by youth, helping children with severe mental illness live successfully in their communities, and improving the quality of care for all mental health clients. Through these efforts, the lives of clients are improved and safety for all Missourians is enhanced.

A weakened economy and considerable growth in mandatory programs like Medicaid has resulted in the most significant budget challenge the state has faced since the early 1990s. The Fiscal Year 2003 budget includes the deepest core reductions ever recommended by a Missouri governor. These core reductions are necessary to ensure a balanced budget while continuing to provide essential state services. There are relatively few general revenue fund increases recommended in the Fiscal Year 2003 budget, and those that are recommended focus on mandatory programs. Governor Holden's number one priority is to fully fund the foundation formula distributions to public schools.

## ENHANCING THE HEALTH AND SAFETY OF THE PUBLIC

Most Missourians with mental disabilities pose no threat to others, but the department does help ensure public safety through prevention and treatment of substance abuse, treatment of persons whose mental disabilities make them dangerous to themselves or others, and custody and treatment for individuals judged to be sexually violent predators. Governor Holden recommends:

- \$1.4 million to expand the treatment program for sexually violent predators at the Southeast Missouri Mental Health Center. In Fiscal Year 2003 the department expects the number of persons detained or committed to the program by the courts to reach approximately 100, up from 55 at the end of December 2001.
- \$1.9 million federal funds to provide housing to homeless Missourians with mental disabilities and substance abuse problems.
- \$1.2 million federal funds to pilot a school-based drug prevention and intervention program for youth and expand and ensure the effectiveness of community-based drug prevention services.

## DEPARTMENT OF MENTAL HEALTH

### POLICY SUMMARY (Continued)

#### EFFECTIVE AND EFFICIENT STATE SERVICES

Ensuring efficient and effective state services is always important, but when resources are very limited it is even more critical. The Department of Mental Health has aggressively worked to streamline administrative functions; focus its funding on direct services to clients, particularly children; and improve accountability. Governor Holden's recommendations continue these improvements:

- \$1.8 million federal funds, along with redirected core funding, will continue modernization of the department's management information system, allowing for improved quality of care, better monitoring and assessment of results, more efficient payments to providers, and improved collections of federal funds and other reimbursements.
- \$1.4 million federal funds to provide residential treatment services for children in the care and custody of the Department of Social Services. The Department of Mental Health will be able to maximize federal revenues, improve quality of care for these children, and reduce the cost to the Department of Social Services.
- \$1.1 million federal funds to improve care for Missourians with developmental disabilities by contracting with registered nurses to monitor the clients' health and ensure the most effective care.

Some performance measures the Department of Mental Health will use to evaluate the success of its programs follow:

	1999	2000	2001
Percentage of high school seniors using alcohol	57.2%	N/A	52.2%
Percentage of high school students using marijuana	24.5%	N/A	24.6%
Families still intact after one year in Families First	85%	83%	N/A
Percent of developmentally disabled children with DMH support whose families care for them at home	96.7%	97.9%	97.8%
Alcohol- and drug-related traffic crashes resulting in death	210	250	N/A
Percentage of Missourians homeless or in shelters	1.2%	1.2%	N/A
Number of psychiatric clients living independently	6,442	6,862	7,141
Alcohol and drug abuse treatment clients	32,950	36,219	37,523
Psychiatric clients in community programs	54,626	58,096	61,799
Developmentally disabled clients in community settings	24,236	25,951	27,597

## **DEPARTMENT OF MENTAL HEALTH**

### **OFFICE OF THE DIRECTOR**

The Department of Mental Health serves persons with mental illness, developmental disabilities, and substance abuse problems through institutional and community-based programs. These programs are operated by the Divisions of Alcohol and Drug Abuse, Comprehensive Psychiatric Services, and Mental Retardation and Developmental Disabilities. The seven-member Missouri Mental Health Commission appoints the Department of Mental Health Director.

The Office of the Director implements the plans and policies of the Mental Health Commission and manages the department. Its Office of Administration provides management and fiscal support, including the annual budget, capital improvements, accounting, building maintenance and management, revenue collection, contracting, dietary consultation, purchasing, and general services. The Office of Departmental Affairs performs audit services, abuse and neglect investigations, licensure and certification functions, medical oversight, legal counsel and financial counseling, and services for the deaf. The Office of Human Resources oversees personnel and labor relations. The Office of Public Affairs disseminates information about mental health programs and services and assists the divisions and facilities in such activities. The Office of Information Systems manages and develops the department's data processing capacity.

The Office of the Director also administers several department-wide activities. These include refunding overpayments by private payors and insurers, tracking the use of private donations to the department, maintaining department facilities, and administering federal grants.

### **Fiscal Year 2003 Governor's Recommendations**

- \$1,750,000 federal funds for the new management information system to improve the efficiency of the department's operations, quality of care, and accountability for results.
- \$279,024 core reallocated from other divisions for information management services.
- (\$5,900,000) federal funds core reduction for one-time expenditures.
- (\$5,091,900) other funds core reallocated to other divisions for the Safety Net Program.
- (\$4,788,326) and (38.81) staff in core reduction.
- (\$1,938,025) and (1.71) staff transferred to the Department of Social Services for Caring Communities, including (\$83,442) general revenue.
- (\$250,000) federal funds core reallocated to the Division of Alcohol and Drug Abuse for the substance abuse block grant.

## **DEPARTMENT OF MENTAL HEALTH**

### **DIVISION OF ALCOHOL AND DRUG ABUSE**

The Division of Alcohol and Drug Abuse (ADA) works to prevent substance abuse and provides treatment for rehabilitation of substance abusers and compulsive gamblers. The division helps clients through counseling, detoxification, residential treatment, and other services purchased from community agencies. The Comprehensive Substance Treatment and Rehabilitation (CSTAR) Program provides long-term outpatient and follow-up services, with partial funding through Medicaid. The central office of the division certifies providers, offers prevention education and training, works with communities developing their own prevention programs, carries out research and evaluation, and provides fiscal management. Missouri receives federal funds from the Substance Abuse Prevention and Treatment Block Grant, the Center for Substance Abuse Treatment, and the U.S. Department of Education.

#### **Fiscal Year 2003 Governor's Recommendations**

- \$5,945,508 federal funds for increased appropriation authority for substance abuse treatment services.
- \$4,350,349 federal funds for increased appropriation authority for substance abuse prevention services.
- \$1,118,555 federal funds to provide housing to homeless disabled persons who are diagnosed with a substance abuse problem.
- \$704,389 federal funds and .2 staff for a five-year grant to work with local agencies to provide substance abuse services for youth.
- \$195,410 federal funds for a school-based prevention and intervention initiative.
- \$150,500 federal funds and 1.78 staff for a grant to develop new performance measures.
- \$130,582 federal funds for a grant to expand the statewide substance abuse recovery community education organization.
- \$3,777,681 other funds core reallocated from the Office of the Director for the Safety Net Program.
- \$2,373,091 and 59.93 staff core reallocated from the Division of Comprehensive Psychiatric Services for treatment services, including \$1,664,631 general revenue.
- \$720,000 federal funds transferred from the Department of Public Safety for the enforcement of underage drinking program.
- \$300,000 other funds transferred from the Department of Health and Senior Services for tobacco prevention.
- \$250,000 federal funds core reallocated from the Office of the Director for the substance abuse block grant.
- \$81,120 and one staff core reallocated from the Division of Comprehensive Psychiatric Services.
- \$5,236 transferred from the Department of Social Services for the Medicaid share of the Breast and Cervical Cancer Program.
- (\$15,796,627) core reduction in substance abuse treatment services, which is necessary to ensure a balanced budget. Because of the critical importance of these services to Missourians, the general revenue will be replaced with budget reserve funds in HB 14. Please see the Budget Reserve Fund section of the Missouri Budget for more information.
- (\$2,168,752) and (three) staff in core reduction.
- (\$525,000) federal funds core reduction from an expired federal grant.
- (\$81,120) core reallocated to the Office of the Director for information management services.
- (\$11,662) core reduction for the increased federal match rate for Medicaid.

## DEPARTMENT OF MENTAL HEALTH

### DIVISION OF COMPREHENSIVE PSYCHIATRIC SERVICES

The Division of Comprehensive Psychiatric Services operates several state facilities and purchases residential, rehabilitative, and support services for clients who live in community settings. The ultimate objective is an integrated mental health service system that will enable clients to live as normally and independently as their conditions permit. The division funds a wide array of services, including residential care centers, foster homes, group homes, independent living programs, nursing homes, supported employment, crisis intervention, psychiatric rehabilitation, and other forms of assistance. Many of these services are partially funded through Medicaid.

The division provides inpatient care at three rehabilitation centers, two children's psychiatric hospitals, one children's residential center, and four state-operated acute care centers. These facilities offer inpatient care for adults who are seriously mentally ill and for severely emotionally disturbed children. Services include acute care, long-term rehabilitation for clients who are not ready to return to the community, and outpatient care. A large part of the population in the long-term rehabilitation facilities consists of forensic clients. These are people committed to the department by the courts as not guilty by reason of mental disease or defect, or as incompetent to stand trial. Fulton State Hospital and the Southeastern Missouri Mental Health Center also provide mental health care for prison inmates. The division also operates the Sexually Violent Predator Program at the Southeast Missouri Mental Health Center. Following are data for these facilities:

Facility	Total Staffed Beds	FY 2000 Inpatient Days	Forensic and Corrections Beds
Fulton State Hospital	505	178,178	406
Northwest Missouri Psychiatric Rehabilitation Center	120	42,662	86
St. Louis Psychiatric Rehabilitation Center	212	76,456	159
Southwest Missouri Psychiatric Rehabilitation Center	24	8,709	0
Cottonwood Residential Treatment Center	32	9,226	0
Hawthorn Children's Psychiatric Hospital	52	16,097	0
Metropolitan St. Louis Psychiatric Center	112	33,404	0
Mid-Missouri Mental Health Center	69	23,011	0
Southeast Missouri Mental Health Center	286	88,757	84
Sexual Predator Program	N/A	15,708 *	50
Farmington Correctional Center Beds	N/A	9,375 *	20
Western Missouri Mental Health Center	187	58,434	0

\*Included in the 88,757 for Southeast MO MHC

### Fiscal Year 2003 Governor's Recommendations

- \$1,383,830 federal funds and 17 staff to provide residential treatment services for children in the custody of the Department of Social Services.
- \$1,372,734 and 34.6 staff for increased caseload at the Missouri Sexual Offender Treatment Center.
- \$766,633 federal funds to provide housing to homeless disabled persons who are diagnosed with a substance abuse problem.
- \$1,070,317 other funds core reallocated from the Office of the Director for the Safety Net Program.
- \$1,483 transferred from the Department of Social Services for the Medicaid share of the Breast and Cervical Cancer Program.
- (\$56,048,544) core reduction in community comprehensive psychiatric services, which is necessary to ensure a balanced budget. Because of the critical importance of these services to Missourians, the general revenue will be replaced with budget reserve funds in HB 14. Please see the Budget Reserve Fund section of the Missouri Budget for more information.
- (\$12,472,875) and (160.2) staff in core reduction.
- (\$5,686,280) federal funds core reduction of excess appropriation authority.
- (\$2,373,091) and (59.93) staff core reallocated to the Division of Alcohol and Drug Abuse for treatment services, including (\$1,664,631) general revenue.
- (\$550,000) other funds transferred to the Department of Social Services for health initiatives fund expenses.
- (\$486,028) transferred to the Department of Social Services for Medicaid expenses.
- (\$361,373) core reduction for one-time expenditures.
- (\$141,372) core reallocated to the Office of the Director for information management services.
- (\$85,526) core reduction for the increased federal match rate for Medicaid.
- (\$81,120) and (1.00) staff core reallocated to the Division of Alcohol and Drug Abuse.

## DEPARTMENT OF MENTAL HEALTH

### DIVISION OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

The Division of Mental Retardation and Developmental Disabilities operates several facilities and purchases residential, habilitative, and support services for clients who live in the community and for families who keep their developmentally disabled children at home. This is a key element in the development of an integrated system that will enable mentally retarded and developmentally disabled clients to live as normally and independently as their conditions and behavior permit. Community-based services range from residential placements to support services for persons living with their families or in their own apartments. The Medicaid Home- and Community-Based Waiver plays a major role in the division's community service system. Its 11 regional centers are the entry and exit points for clients. They provide screening and diagnostic services for both children and adults, evaluate the need for services and arrange for them, and monitor and assess the clients' progress.

The division provides residential services at the six state habilitation centers. These centers offer long-term training and habilitation for clients who cannot move into community settings because of the severity of their disabilities or for behavioral reasons. Those who can make the change are eventually moved into community settings, with the goal of integrating them as fully as possible into normal community life. The following table shows the number of beds in the habilitation centers:

Facility	Beds
Bellefontaine Habilitation Center	389
Higginsville Habilitation Center	135
Marshall Habilitation Center	308
Nevada Habilitation Center	136
St. Louis Developmental Disabilities Treatment Center	241
Southeast Missouri Residential Services	86
Habilitation Center Clients in Community Settings	181
Total	1,476

### Fiscal Year 2003 Governor's Recommendations

- \$6,907,824 federal funds to replace a portion of the general revenue core reduction in community programs.
- \$1,092,176 federal funds to allow providers to contract for registered nurses to monitor the health of consumers.
- \$243,902 other funds core reallocated from the Office of the Director for the Safety Net Program.
- \$338 transferred from the Department of Social Services for the Medicaid share of the Breast and Cervical Cancer Program.
- (\$20,450,631) core reduction in community services for the developmentally disabled, which is necessary to ensure a balanced budget. Because of the critical importance of these services to Missourians, the general revenue will be replaced with budget reserve funds in HB 14. Please see the Budget Reserve Fund section of the Missouri Budget for more information.
- (\$7,102,149) and (126.08) staff in core reduction.
- (\$274,227) core reduction for the increased federal match rate for Medicaid.
- (\$56,532) core reallocated to the Office of the Director for information management services.
- (\$46,475) core reduction for one-time expenditures.

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